

Message Text

SECRET

PAGE 01 TOKYO 06228 181249 Z

43

ACTION AID-31

INFO OCT-01 EA-11 ADP-00 IGA-02 EB-11 CIAE-00 DODE-00

PM-09 H-02 INR-10 L-03 NSAE-00 NSC-10 PA-03 RSC-01

PRS-01 SS-15 USIA-12 AGR-20 COME-00 TRSE-00 XMB-07

FRB-02 DPW-01 RSR-01 IO-12 /165 W
----- 100259

R 180846 Z MAY 73

FM AMEMBASSY TOKYO

TO SECSTATE WASHDC 3981

INFO AMEMBASSY SAIGON

USDEL JEC PARIS

S E C R E T TOKYO 6228

E. O. 11652: GDS

TAGS: EAID, VS, JA

SUBJ: COOPER DISCUSSIONS IN TOKYO ON AID TO SVN WITH
PRIVATE INDIVIDUALS

REKAC A. TOKYO 6228; B. STATE 91101 NOTAL

SUMMARY. DISCUSSIONS WITH SAEKI OF NOMURA RESEARCH, OKITA
OF OVERSEAS ECONOMIC COOPERATION FUND AND SENGU OF KEIDANREN
COVERED MUCH OF SAME GROUND AS WITH FONOFF OFFICIALS. OKITA
INDICATED HE WAS CONSIDERING POSSIBLE COMMODITY AID FOR SVN.
ALSO TOOK PERSONAL VIEW THAT APPROPRIATE FORMULA FOR AID TO
SVN MIGHT BE: USG - ONE- HALF; GOJ - ONE- THIRD; AND OTHERS -
ONE- SIXTH. SENGU THOUGH THAT ACTION ON PART OF OPIC TO
EXTEND INVESTMENT GUARANTIES TO SVN COULD FAVORABLY
INFLUENCE MITT' S SIMILAR PROGRAM, THEREBY ENCOURAGING
JAPANESE INVESTORS. END SUMMARY.

1. IN ADDITION FONOFF CALLS, COOPER ALSO DISCUSSED SITUA-
TION IN SVN WITH SAEKI, HEAD OF NOMURA RESEARCH WHICH HAS
CARRIED OUT STUDY IN PAST ON VN RECONSTRUCTION;
OKITA, HEAD OF OVERSEAS ECONOMIC COOPERATION FUND,
SECRET

SECRET

PAGE 02 TOKYO 06228 181249 Z

GOJ'S SOFT LOAN AGENCY; AND SENG, SENIOR STAFF DIRECTOR OF KEIDANREN, JAPAN'S LEADING BUSINESS ASSOCIATION. DISCUSSIONS COVERED MUCH OF GROUND AS WITH GOJ OFFICIALS. NOTABLE POINTS FOLLOW BELOW.

2. OKITA CALL. CONVERSATION WITH OKITA WENT INTO CONSIDERABLE DETAIL SVN ECONOMIC PERFORMANCE DURING WHICH THREE SUBJECTS OF INTEREST AROSE.

A. OKITA SAID FONOFF OFFICIALS AND HE RECOGNIZED IMPORTANCE OF CONFIDENCE IN SVN'S ECONOMY, AS IT RELATED TO POLITICAL SITUATION, PARTICULARLY DURING IMMEDIATE FUTURE. HOWEVER, JAPANESE PRESS HAVE INFLUENCED PEOPLE TO FEEL UNCERTAIN ABOUT GVN AND ITS FUTURE. HE THOUGHT CAUTIOUS STEPS WOULD HAVE TO BE TAKEN TO CONVINCE PEOPLE OF ITS VIABILITY.

B. OKITA RAISED TOPIC OF GOJ COMMODITY AID TO SVN, NOTING THAT GOJ HAD EXTENDED SUCH AID ONLY TO INDONESIA, KOREA AND PHILIPPINES. HE WAS PLEASED WITH EXPERIENCE IN PHILIPPINES WHERE SATISFACTORY ARRANGEMENTS HAD BEEN MADE TO ENSURE COUNTERPART PROPERTY USED FOR DEVELOPMENT PURPOSES. COOPER EXPRESSED USG WILLINGNESS TO REVIEW OUR PROCEDURES ON CIP IF GOJ EXTENDED COMMODITY AID TO SVN SO THAT TWO PROGRAMS COULD HAVE MAXIMUM EFFECTIVENESS.

C. OKITAON AFTER RAISING INEVITABLE QUESTION ABOUT USG AID LEVEL THIS FISCAL YEAR, OBSERVED THAT HE DID NOT BELIEVE GOJ HAD YET WORKED UP ESTIMATE ON GOJ CONTRIBUTION TO SVN DEVELOPMENT. PERSONALLY, HE SAID, DRAWING ON EXAMPLE OF THE IGGI ONE- THIRD FORMULA, HE THOUGHT FOLLOWING FORMULA MIGHT BE APPROPRIATE TO MEET SVN ECONOMIC ASSISTANCE NEEDS: USG - ONE- HALF; GOJ - ONE- THIRD; AND OTHERS - ONE- SIXTH.

3. SENG CALL. DISCUSSION WITH SENG, WHO WAS WELL- INFORMED ON GOJ'S ATTITUDE TOWARD AID TO SVN, REVOLVED AROUND SVN'S AID NEEDS AND PROSPECTS FOR JAPANESE INVESTMENT IN SVN.

SECRET

SECRET

PAGE 03 TOKYO 06228 181249 Z

A. SENG SAID THAT WHEN HE WAS IN SAIGON IN FEBRUARY, MINISTER FINANCE TOLD HIM GVN NEEDED \$80 MILLION IN EMERGENCY AID ASAP. SENG HAS URGED MIKANAOL, DIRECTOR- GENERAL OF ECONOMIC COOPERATION BUREAU, FONOFFBN TO CONSIDER EXTENSION SUCH AID ON BILATERAL BASIS. SENG THOUGHT THAT FONOFF IN AWKWARD POSITION AT THIS TIME TO CONSIDER SUCH AID BECAUSE IT DOES NOT

KNOW LEVEL USG ASSISTANCE, IT HAS NOT RECEIVED
REQUEST FROM GVN, AND POLITICAL OPPOSITION WOULD RAISE
OUTCRY. SENGATHOUGHT \$50 MILLION WOULD BE APPROPRIATE
AMOUNT FOR GOJ TO EXTEND.

B. IN DISCUSSION PROSPECTS FOR JAPANESE INVESTMENT,
SENGA THOUGHT UNCERTAINTY OF GVN POLITICAL FUTURE WAS

MAJOR FACTOR IMPEDING INVESTMENT. COOPER INQUIRED,
AS HE HAD WITH MIKANAGI OF FONOFF, ABOUT AVAILABILITY
GOJ INVESTMENT QUANTITIES. SENGASAIID THEY WERE NOT

EXTENDED BY MITI BECAUSE OF WARFARE. HE THOUGHT OPIC
DECISION TO EXTEND GUARANTIES COULD HAVE FAVORABLE
EFFECT ON MITI ATTITUDE.
INGERSOLL

SECRET
NMAFVVZCZ

*** Current Handling Restrictions *** n/a
*** Current Classification *** SECRET

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: VS
Control Number: n/a
Copy: SINGLE
Draft Date: 18 MAY 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: willialc
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973TOKYO06228
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GDS
Errors: n/a
Film Number: n/a
From: TOKYO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19730548/aaaajldu.tel
Line Count: 133
Locator: TEXT ON-LINE
Office: ACTION AID
Original Classification: SECRET
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators:
Previous Classification: SECRET
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: willialc
Review Comment: n/a
Review Content Flags:
Review Date: 17 AUG 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <17-Aug-2001 by izenbei0>; APPROVED <09-Oct-2001 by willialc>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: <DBA CORRECTED> mcm 980220
Subject: COOPER DISCUSSIONS IN TOKYO ON AID TO SVN WITH PRIVATE INDIVIDUALS
TAGS: EAID, JA
To: AID
JEC PARIS
SAIGON
SECSTATE WASHDC
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005